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Construction of additional office facilities at the Economic Commission for Africa in Addis Ababa

Report of the Secretary-General**

Summary

The General Assembly, in its resolution 56/270 of 27 March 2002, requested the Secretary-General to report on an annual basis on progress made in the construction of additional office facilities at the Economic Commission for Africa.

This first report provides the required progress information and an update on the actions taken with regard to the views and recommendations of the Advisory Committee on Administrative and Budgetary Questions, as contained in paragraphs 4, 5 and 8 of its report dated 14 December 2001 (A/56/711). The General Assembly is requested to take note of the present report.

* A/57/150.

** The present report was delayed owing to the need to ensure consultations with the Commission secretariat were completed.

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I. Introduction

1. In his report dated 3 December 2001 (A/56/672), the Secretary-General informed the General Assembly of the need for additional office facilities at the Economic Commission for Africa (ECA).

2. In its report dated 14 December 2001 (A/56/711), the Advisory Committee on Administrative and Budgetary Questions recommended that the General Assembly authorize the proposed construction and approve an appropriation in the amount of $7,711,800 for that purpose.

3. In its resolution 56/270 of 27 March 2002, the General Assembly approved the proposed funding within the available balance of the construction-in-progress account and requested the Secretary-General to report to the Assembly on an annual basis on the progress made in that regard.

II. Review of the recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions (A/56/711)

4. In paragraph 4 of its report (A/56/711), the Advisory Committee on Administrative and Budgetary Questions requested that a re-examination be made of the use of the proposed additional space to maximize office space and minimize common and temporary space, taking into account existing standards. Accordingly, the Request for Proposal for Architectural and Engineering Services specifies that the design should result in a more rational and efficient layout of space with optimal construction costs and sufficient swing space provisions, utilizing the "open office space" concept, without compromising quality or functionality requirements.

5. The Advisory Committee's recommendation that ECA consider the possibility of leasing any unoccupied office space during the initial period to suitable outside entities is being pursued and seems achievable, considering the current trend of office use in Addis Ababa.

III. Status and development of the project

6. An agreement with the host country has been successfully negotiated and finalized. This agreement includes, among other things, the following provisions:

- Tax exemption for construction materials
- Multiple re-entry visas without charge to the United Nations
- Assistance in the provision of required utilities.

7. A schedule of design consultancy and construction activities with milestone dates has been developed and is summarized below:

(a) Preparation, mobilization, bidding and identification of consultants to be completed by 4 November 2002;

(b) Design, bidding and identification of the contractor — to take place from 4 November 2002 to 12 February 2004;

(c) Construction phase — to take place from 13 February 2004 to 30 December 2005;

(d) Closing of the project, occupation of the building and warranty period — to take place from 2 January 2006 to 1 January 2007.

A year-to-year cost plan summary in this regard is presented in the annex to the present report.

8. Administrative and coordination arrangements, outlining general project management policy as well as budgetary and financial management policy, including organizational guidelines, have also been developed.

9. An architect was hired as a consultant to assist in the preparation of various documents which are critically important within the framework of the project. Two of these documents, "Request for Proposal" and "Outline Design Brief", which are the foundation of the whole process, have been completed and submitted to the Procurement Division. The "Request for Proposal" explains all requirements, procedures and applicable regulations and includes a draft of the future contract between the parties. The "Outline Design Brief" outlines and details the expectations regarding the design of the structure. Both documents are mandatory to allow prospective bidders/proposers to prepare their proposals for evaluation and selection by the United Nations.

IV. Conclusion

10. Activities for construction of additional office facilities at the Economic Commission for Africa in Addis Ababa are progressing as per the schedule in paragraph 7 above, in keeping with the recommendations of the Advisory Committee on Administrative and Budgetary Questions. The General Assembly may wish to take note of the present report.

Annex

Construction of new office facilities at the Economic Commission for Africa

Cost plan

No.	Description	Planned expenditures per year (in United States dollars)						Total cost (in United States dollars)
		2002	2003	2004	2005	2006	2007	
1	Construction cost for a 6,700 m^2 structure at \$650/m^2, including warranty costs			1 188 150	2 772 350	220 000	220 000	4 400 500
2	Design cost plan and consultancy services	66 000	96 480	131 000	150 000	8 083		451 563
3	Site works, utilities connection, technology backbone, LAN/WAN, enhanced security, fire safety, back-up power etc. at \$150/m^2			150 000	763 950	50 775	50 775	1 015 500
4	Workstations, furniture, office automation equipment etc. for 73 staff at \$3,600/staff on average					262 800		262 800
5	Project coordination, supervision and management (the Project Coordination Unit at ECA)	33 675	110 000	165 000	174 525	25 000		508 200
6	Contingencies		30 512	155 000	400 625	55 000	10 000	651 137
7	Provision for inflationary increases and currency fluctuation		52 000	150 000	205 100	15 000		422 100
	Total	**99 675**	**288 992**	**1 939 150**	**4 466 550**	**636 658**	**280 775**	**7 711 800**